This record is a partial extract of the original cable. The full text of the original cable is not available.

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UNCLAS SECTION 01 OF 02 COLOMBO 000413

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FOR SA, SA/INS, D

PASS TO USAID AMBASSADOR, WENDY CHAMBERLAIN, AA/ANE; GORDON WEST, DAA/ANE; JAMES BEVER AND BERNADETTE BUNDY, ANE/SA

E.O. 12958: N/A
TAGS: EAID CE LTTE
SUBJECT: THIRD PLANNING MEETING FOR TOKYO

- 11. The third planning meeting of the Tokyo Core Group was held on March 10. The Japanese Ambassador said that his Government was waiting for confirmations from countries asked to co-chair the Tokyo Conference. Subsequent to the co-chair confirmations the Japanese would determine which countries and organizations should attend but he anticipated that EU members, ASEAN, SARC countries, China, Korea, UAE, Kuwait and Saudi Arabia would be invited, subject to the approval of the co-chairs. On the issue of seminars, the Japanese Ambassador confirmed that his government had been overly ambitious in planning for four pre-conference meetings. The Tokyo seminar is cancelled and he asked the GSL to see if the EU had an interest in the proposed seminar there. The GOJ would wait until it had a confirmation on the co-chair issue before exploring a Brussels seminar further.
- 12. Since the Washington Seminar dates have been set, Ambassador Wills requested further advice from the GSL on its goals and possible topics for discussion. Based on what the Post learned earlier, the Ambassador laid out a possible scenario for the Washington Seminar for the group to consider. The nations invited would be similar to the initial list set out by the Japanese Ambassador. The Ambassador suggested three or four presentations of 10-15 minutes each covering an update on the Peace Talks by the GSL and Norway, a macro-economic assessment by the IMF, and a summary of the Needs Assessment by the IFIs. Minister Moragoda said the GSL was thinking about doing a short multimedia presentation covering the peace process, Regaining Sri Lanka and the GSL priorities. The goal is to get donor buy-in prior to Tokyo.
- 13. The Ambassador also raised the issue of attaching milestones to assistance disbursement to ensure that donor values will be reflected in the way funds are spent. This is a key issue for a large number of bilateral donors. The World Bank representative concurred but stated that peace conditionalities were a very sensitive topic. Minister Moragoda indicated that if this were going to be raised, we would need to consider carefully how to structure the discussion.
- 14. There was considerable discussion about the UN/ADB/WB Needs Assessment for the North and East and the location of the validation workshop. This was a sensitive issue because the LTTE wants it on its turf although accommodating the Tigers is logistically difficult. Several suggestions on multiple workshops or a more centrally located venue in the North or East were discussed. It was agreed that more thought needed to be given to the issue. The GSL vetted its ideas on the nature and number of documents that would be available for the seminars and the actual Conference and the level of detail required by donors prior to pledging. The decision was to avoid getting into the weeds but to have the backup information available on actual projects and places on a database.
- 15. The first meeting of the Tokyo Wider Group was held immediately following the Core Group meeting. This wider group includes the Ambassadors and High Commissioners from countries that participated in the OSLO donor meeting, the Director General of the Peace Secretariat, Secretary of the Ministry of Enterprise Development, Chairman of the Board of Investment, Representative from UNICEF and UNHCR, the President of the National Chamber of Commerce, Chairman of the Ceylon Chamber of Commerce and the Director of the Consortium of Humanitarian Assistance, representing the NGO community.
- 16. A recap of the planning done to date by the Tokyo Core Group was provided by Minister Moragoda and the Japanese Ambassador. The IFIs spoke about the PRGF and CAS documents which have been sent to their boards for review and approval. The PRGF arrangement is for \$560 million which is a combination of PRGF and EFF funds. The UN Rep reported on the Needs Assessment progress and planned validation

workshop. The remainder of the meeting focused on the pre-Tokyo Seminars.

17. Since the Washington Seminar was the first in line Ambassadors were interested in the level of representation which was expected. Ambassador Wills indicated that the Ministerial and Senior Deputy level from Ministries of Finance and Development Cooperation would be invited. Because the Seminar was scheduled for the day after the close of the World Bank/IMF meetings, the Japanese Ambassador requested that the US provide an early notification to invitee countries so that they could include the Seminar in the travel plans.

WILLS